

HOUSE BILL 2617
By Davidson

AN ACT to request the Council on Pensions and Insurance to study certain issues relative to extended insurance for certain retired employees.

WHEREAS, under the provisions of Tennessee Code Annotated, Section 8-27-205 and 8-27-

209, the state of Tennessee provides group insurance benefits for retired state and higher education employees with premiums based on years of service; and

WHEREAS, since 1976, the state has provided a program through which local education

employees may participate in a group insurance plan to which the state of Tennessee makes premium contributions; and

WHEREAS, under the provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 3,

which provides group insurance coverage for local education employees, retired teachers who receive retirement benefits through the Tennessee consolidated retirement system may continue group insurance coverage; and

WHEREAS, when the local education employee insurance program was established several

local education agencies maintained separate, local insurance programs, and some still do; and

WHEREAS, likewise some local education agencies maintain local retirement programs and

their employees are not covered by the Tennessee consolidated retirement system; and

WHEREAS, many teachers are retired from local education agencies which either had no

insurance plans or which did not participate in the state-sponsored plan; and

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WHEREAS, there is interest in determining the feasibility of including all retired teachers in a group insurance program comparable to that enjoyed by retired state employees, but the number of potential beneficiaries and the possible costs are not now known; therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The council on pensions and insurance is hereby requested to conduct a study to determine:

- (1) The number of retired teachers currently receiving group insurance benefits under the provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 3, and the cost of this coverage.
- (2) An estimate of the number of teachers retired under the Tennessee consolidated retirement system, or superseded state systems, who are not receiving any group insurance benefits, and, if possible, the estimated cost of providing benefits comparable to those under Title 8, Chapter 27, Part 3.
- (3) An estimate of the number of teachers retired under local retirement programs who are not receiving any group insurance benefits through such retirement, and, if possible, the estimated cost of providing benefits comparable to those under Title 8, Chapter 27, Part 3, for those retirees.

SECTION 2. The council is requested to report its findings and recommendations to the education committees of the house of representatives and the senate by December 31, 1998.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.